

GENERAL FUND PROJECTION at 2008-09 GOVERNOR'S BUDGET

(Dollars In Millions)

| | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
|---|------------------|------------------|------------------|------------------|------------------|
| RESOURCES: | | | | | |
| Prior Year Balance | \$3,900 | \$1,757 | \$3,663 | -\$765 | -\$4,516 |
| Revenues/Transfers (absent BSA transfer) | 100,759 | 102,904 | 106,605 | 116,518 | 123,299 |
| Repayment of Loans from Special Funds | (-5) | (-32) | (-45) | (-31) | (-73) |
| Tobacco Refunding | (657) | (0) | (0) | (0) | (0) |
| Indian Gaming Revenues | (154) | (430) | (509) | (545) | (545) |
| Issuance of Economic Recovery Bonds | (3,313) | 0 | 0 | 0 | 0 |
| Transfer back from Budget Stabilization Account per CS 35.60 | 1,494 | 0 | 0 | 0 | 0 |
| Prop 58 Transfer to the Budget Stabilization Account (for rainy day) | -1,023 | 0 | -1,599 | -1,748 | -3,540 |
| Total Resources | \$105,130 | \$104,661 | \$108,669 | \$114,005 | \$115,243 |
| EXPENDITURES: | | | | | |
| Proposition 98 guarantee | \$40,650 | \$43,613 | \$42,255 | \$46,214 | \$48,928 |
| Proposition 98 Suspension | | -4,020 | | | |
| Above/Under Guarantee | 1,057 | | | | |
| Proposition 98 Settle-up | 0 | (150) | 150 | 150 | 150 |
| Proposition 98 Suspension Settle-up | (300) | (450) | 450 | 450 | 450 |
| Total Proposition 98 | \$41,707 | \$39,593 | \$42,855 | \$46,814 | \$49,528 |
| Transfer to Prop. 42 (Transportation Investment Fund) | 1,439 | 1,485 | 1,553 | 1,631 | 1,711 |
| Other Non-Proposition 98 | 59,204 | 59,920 | 63,427 | 68,328 | 73,058 |
| Prop 58 Transfer to the Budget Stabilization Account (to retire ERBs) | 1,023 | 0 | 1,599 | 1,748 | 159 |
| Total Non-Proposition 98 | \$61,666 | \$61,405 | \$66,579 | \$71,707 | \$74,928 |
| Total Expenditures | \$103,373 | \$100,998 | \$109,434 | \$118,521 | \$124,456 |
| FUND BALANCES: | | | | | |
| | \$1,757 | \$3,663 | -\$765 | -\$4,516 | -\$9,213 |
| Reserve for Encumbrances | \$885 | \$885 | \$885 | \$885 | \$885 |
| Special Fund for Economic Uncertainties (Reserve) | \$872 | \$2,778 | -\$1,650 | -\$5,401 | -\$10,098 |
| Budget Stabilization Account (BSA) | \$0 | \$0 | \$1,599 | \$3,347 | \$6,887 |
| Total Reserve (SFEU and BSA) | \$872 | \$2,778 | -\$51 | -\$2,054 | -\$3,211 |
| Gross Operating Surplus/Deficit | -\$2,143 | \$1,906 | -\$4,428 | -\$3,751 | -\$4,697 |
| Operating Deficit, discounting transfer to BSA for rainy-day purposes | -\$2,614 | \$1,906 | -\$2,829 | -\$2,003 | -\$1,157 |